

## **PRESIDENT'S REPORT**

**Agenda Item D**  
**February 5, 2001**

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As usual, the months since the council last met have been very busy. Despite a holiday break – and perhaps because of it, in part – we have accomplished a great deal.

The SCOPE subcommittee established to review higher education budgeting procedures completed its work January 16. The university presidents, the KCTCS president, and I presented a consensus document spelling out how we propose to approach the 2002-04 budget. The SCOPE subcommittee accepted it after some discussion. The council finance committee discussed it in December and again that afternoon. While work remains to be done, the procedural framework is in place and we recommend that you endorse it today. It then would go to a full SCOPE meeting Wednesday, February 7. Council members Walter Baker, Lois Weinberg, and Chuck Whitehead have been extremely helpful as members of the SCOPE subcommittee and I thank them.

The points of consensus are a procedural framework. They do not constrain the council's judgment about how much money should be requested from the governor and General Assembly, the trust funds it will recommend, or which specific operating and capital projects it will support. Like many states, Kentucky is experiencing less revenue growth than expected and greater pressure from Medicaid and other important budget items. Fortunately, Kentucky postsecondary education is relatively well funded per student. We can begin in this biennium to work with institutions to set priorities, increase efficiency, and reallocate resources, as well as to seek increased appropriations.

Early in January, Governor Patton sponsored a conference on Latin America. The council staff coordinated all of the educational parts of the conference program, which involved 23 faculty members from public universities, KCTCS, and independent colleges. Ambassador Peter Romero, assistant secretary of state for western hemisphere affairs, stated the core theme of the conference by quoting the governor's speech to the General Assembly at the opening of the 2000 session: "Education, education, education, education." Speaker after speaker made the same point. We have to know these nations and speak their languages to do business with them. We have to encourage them to study at our colleges and universities so they will be familiar with Kentucky and eager to do business with us. More than 600 people attended the conference, and at the end of it Governor Patton announced a trade mission to Latin America early this summer.

The first national report card on higher education in the states was issued at the end of November by the National Center for Public Policy and Higher Education. You will remember that Pat Callan, president of the national center, was interviewed by Al Smith at the governor's annual trusteeship conference last fall. Kentucky's grades were not very good – one B, two C's, and 2 D's – but we anticipated that. What is most significant is that the national center identified Kentucky as one of a few states to watch because of its postsecondary education reforms. Governor Patton received credit for conceiving and leading this reform effort.

The report card and your key indicators of progress are very similar, and not by coincidence. Now we are engaged with the National Center for Public Policy and Higher Education and the National Center for Higher Education Management Systems in developing a model for using a national report card to shape or reinforce postsecondary education policy in a state.

As a first step, we have asked a group of leaders from across Kentucky to meet with Pat Callan and the council staff this Wednesday, February 7, to discuss policy issues raised by the report card from a variety of perspectives. We've invited leaders from business, labor, the public schools, children's services, workforce development, educational advocacy groups, and postsecondary education itself to advise us. Again, not coincidentally, we have consulted with all of these groups about your key indicators of progress, seeking to ensure that we are not merely talking to ourselves.

I think we will learn a lot from participants in occasional meetings over the next several months. Perhaps even more important, I hope that we will build relationships that allow educational policy to respond to the greatest possible range of social and economic needs. Successful institutions always exist for purposes outside themselves. One of our major tasks is to clarify these purposes and then measure our progress toward fulfilling them.

The council is coordinating Kentucky's representation at the Biotechnology Industry Organization (BIO) international tradeshow and convention this June in San Diego. BIO focuses on the commercial application of academic research within the life sciences. The staff is working closely on this project with the University of Kentucky, the University of Louisville, and Western Kentucky University; other key partners include the Governor's Office, the Cabinet for Economic Development, the Louisville Medical Center Development Corporation, Greater Louisville Inc., Lexington United, and the Kentucky Life Sciences Organization. As a prelude, the council will co-host a life sciences conference in Bowling Green May 7-8.

In December, the legislature's Contract Review Subcommittee approved the contract between the council and the Kentucky Science and Technology Corporation governing the operation of the four programs for which the council is responsible under the Kentucky Innovation Act (HB 572): the Research and Development Voucher Program, the Commercialization Program, the Rural Innovation Program, and the regional technology corporations.

Governor Patton selected reform of postsecondary education as one of Kentucky's entries in the annual competition for "Innovations in American Government" awards, sponsored by The Ford Foundation and administered by the Kennedy School of Government at Harvard. Our application material was submitted in mid-January.

In personnel matters, Roger Sugarman has left the council to join the institutional research staff at the University of Kentucky. Connie Shumake has left the staff to join the University of Louisville Brandeis School of Law. Billie Hardin has left us to become a special assistant to KCTCS President Mike McCall. My colleagues and I are grateful for their help over the years and wish them every success.

Jennifer Marsh has joined the council staff as a senior associate for academic affairs. Dr. Marsh comes to us from the Legislative Research Commission, where she was general counsel for Senate leadership. She holds a doctoral degree in aquatic biology and a law degree, both from the University of Louisville.

Yvonne Lovell has joined the staff as director of the GEAR UP project. Ms. Lovell comes to us from Kentucky State University. Earlier, she worked for the New York State Education Department, where she had extensive experience administering programs like GEAR UP. She holds a master's degree from the State University of New York at Albany.

Christina Whitfield joins the council staff as an associate for academic programs. Dr. Whitfield comes to us from a policy research position with the Kentucky School Boards Association. She holds a doctoral degree in social history from the University of Minnesota.

I know you will want to join me in congratulating council member Amanda Coates on her recent marriage. Ms. Coates is now Amanda Coates Lich, as her nameplate indicates.

Governor Patton has reappointed council members Joan Taylor and Ron Greenberg to six-year terms. I know you will want to thank them for their willingness to continue to serve.

I present this report at the real beginning of Kentucky's first short session of the General Assembly under an amendment to the constitution approved last year. At this point, I do not see postsecondary education's being a major focus of the legislature, but I am sure enough will go on to keep us busy.

Finally, we have three action items to consider from yesterday's joint meeting with the Kentucky Board of Education: endorsing the teacher education agenda, approving funding for local P-16 councils, and endorsing the P-16 articulation agreement.